

Mission Statement

Business Development Mission to Erbil, Iraq

June 2008*

I. Mission Description

The United States Department of Commerce, International Trade Administration (ITA) is organizing a Business Development Mission to Erbil, Iraq, June 2008.* The business development mission will focus on establishing business meetings between U.S. companies and Iraqi companies, for both export and investment. The mission will be open to U.S. companies from all non-petroleum sectors. Companies with interests in the housing, financial services, agri-business/food processing, healthcare, tourism, IT, transportation, or franchising sectors will be preferred. This mission will be led by a Senior Commerce Department official. ITA will provide participating U.S. companies an opportunity to meet with key officials from the Kurdistan Regional Government (KRG), local chambers of commerce and other business groups, and various Iraqi companies. ITA also seeks to provide participating U.S. companies an opportunity to visit key commercial sites in Erbil. Security will be furnished by the U.S. Embassy Regional Reconstruction Team in Erbil, private hotel security, and the KRG.

II. Commercial Setting

This mission will take place in the midst of an economic and investment boom occurring in the region. The Kurdistan region is an autonomous region within Iraq with special authorities enshrined in Iraq's 2005 constitution. It has many of its own laws and its own security force, which has enabled it to largely escape the violence seen in other parts of Iraq since 2004. Indeed, not a single coalition troop member has died in Iraqi Kurdistan since 2003.

The economy of Iraqi Kurdistan has been growing from 8-25% a year over the past several years. Companies from neighboring countries, led by Turkey, currently dominate investment and trade in Iraqi Kurdistan, followed by companies from Gulf countries, Asia, and Europe. Private investment in the region was \$7.6 billion in 2007. U.S. trade and investment in this region remains remarkably low in comparison, however, at less than 2% of the total. However, U.S. companies are beginning to take notice of the opportunities in Iraqi Kurdistan. A Coca-Cola bottling facility recently opened up near Erbil, while Ford and General Motors (Chevrolet) have active dealerships in the region. Furthermore, pro-American sentiment runs high in Iraqi Kurdistan, and both Iraqi Kurdish businesses and KRG officials are very supportive of U.S. business activity in the region. Recently passed legislation on investments provide exemption from income taxes for the first ten years of an investment, unhindered repatriation of project investment funds and accrued profits, 100 percent foreign ownership of land, provision of basic services (water, electricity, sewage, public road access and telecommunications) on a cost-free basis up to the boundary of a foreign investor's project site, and other attractive financial incentives.

This mission builds on previous Commerce Department engagements with the Government of Iraq, the KRG, and with Iraq's private sector. In February 2008, Secretary Gutierrez traveled to Baghdad with representatives from the U.S. private sector and former ITA Under Secretary Lavin traveled to Erbil in February 2007 with a similar delegation. Additionally, Iraqi Kurdistan has hosted numerous business delegations from Italy, Korea, Japan, Germany and other advanced economies seeking to get a foothold in one of the world's newest, most dynamic markets.

III. Mission Goals

The mission will facilitate business-to-business meetings between U.S. companies and their private sector counterparts in Iraq, as well as improve U.S. industries' understanding of the commercial opportunities in Iraq. The mission will also facilitate commercial policy dialogue with the KRG and Iraqi business groups. The mission aims to:

- Improve U.S. industries' understanding of the commercial opportunities in Iraq, and the Kurdistan Region of Iraq in particular.
- Facilitate business meetings between U.S. and Iraqi businesses, to expand U.S. exports to Iraq and U.S. investment in Iraq.
- Provide Iraqi Kurdish policymakers with U.S. industry feedback on the direction of commercial reforms.
- Introduce U.S. industry to the Kurdistan Region's business and government leaders.

IV. Mission Scenario: In Iraq, the International Trade Administration will:

- Organize roundtable events, briefings, networking events, and matchmaking meetings between the delegation and key U.S. Government officials, key officials of the KRG, local companies, and industry groups.
- Arrange for selected site visits to key commercial sites. (Subject to security conditions at the time.)

V. Proposed Mission Timetable*

Day 1	<ul style="list-style-type: none">• Arrive, late afternoon• Evening trade mission briefing from U.S. Government (USG) representatives
Day 2	<ul style="list-style-type: none">• Morning reception with Kurdistan Regional Government (KRG), representatives from various Ministries• Luncheon roundtable w/ U.S. company reps already in Kurdistan• Afternoon trip to Erbil city center - convention center, citadel, etc.• Evening dinner with banking/services sector reps
Day 3	<ul style="list-style-type: none">• Morning briefing from Erbil Chamber of Commerce, followed by networking and meeting time• Afternoon briefing from Iraqi Businessmen's Union-Kurdistan, followed by one-on-one meeting time
Day 4	<ul style="list-style-type: none">• Morning time for one-one-one meetings, free time for trade mission delegates• Leave, late afternoon

VI. Participation Requirements

All parties interested in participating in the Business Development Mission to Erbil, Iraq must complete and submit an application package for consideration by the Department of Commerce. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. This trade mission is designed for a minimum of 5 and a maximum of 10 qualified companies.

After a company has been selected to participate on the mission, a payment to the Department of Commerce in the form of a participation fee is required. The participation fee will be \$2,445 per company. Participating companies will be restricted to one representative. Additional representatives from a single company will be considered only as space permits. The fee for an additional representative will be \$1,410. Expenses for

travel, lodging, some meals, and incidentals will be the responsibility of each mission participant.

Conditions for Participation:

- An applicant must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's: products and/or services, primary market objectives, and goals for participation. If we receive an incomplete application, we may either reject the application or take the lack of information into account when we evaluate the applications.
- Each applicant must also:
 - Certify that any export of the products and services that it wishes to export through the mission would be in compliance with U.S. export controls and regulations;
 - Certify that it has identified to the Department of Commerce for its evaluation any business pending before the Department of Commerce that may present the appearance of a conflict of interest;
 - Certify that it has identified any pending litigation (including any administrative proceedings) to which it is a party that involves the Department of Commerce; and
 - Sign and submit an agreement that it and its affiliates (1) have not and will not engage in the bribery of foreign officials in connection with company's/participant's involvement in this mission, and (2) maintain and enforce a policy that prohibits the bribery of foreign officials.

Selection Criteria for Participation:

- Relevance of the company's business line to the mission description and goals;
- Company's primary business objectives for participating on this mission;
- Potential for business in the Iraqi market;
- Diversity of sectors represented, with preference given to companies in the housing, financial services, agri-business/food processing, healthcare, tourism, IT, transportation, or franchising sectors; [NOTE: This trade mission is open only to companies promoting non-petroleum industry sectors.]
- Capacity and intent to export goods and/or services from the United States to Iraq, or capacity and intent to invest in Iraq.

Additional factors, such as diversity of company size, type, location, demographics, and traditional under-representation in business, may also be considered during the review process. As noted in the criteria above, this mission is not open to companies promoting goods or services in the petroleum sector.

Referrals from political organizations and any documents, including the application, containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and not considered during the selection process.

VII. Timeframe for Recruitment and Applications

Mission recruitment will be conducted in an open and public manner, including publication in the Federal Register, posting on the Commerce Department trade mission calendar (<http://www.ita.doc.gov/doctm/tmcal.html>) and other Internet web sites, press releases to general and trade media, direct mail, broadcast fax, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows. The Office of Business Liaison and the International Trade Administration will explore and welcome outreach assistance from other interested organizations, including other U.S. Government agencies.

Applications for the Mission will be made available April 9, 2008 through May 8, 2008. Applications can be completed on-line on the Iraq Investment and Reconstruction Task Force website at <http://www.trade.gov/iraq> or can be obtained by contacting the U.S. Department of Commerce Iraq Investment and Reconstruction Task Force at 202-482-5228, IraqInfo@mail.doc.gov, or via the contact information below.

The application deadline is May 8, 2008. Completed applications should be submitted to the Iraq Investment and Reconstruction Task Force. Applications received after May 8, 2008 will be considered only if space and scheduling constraints permit.

VIII. Disclaimer, Security, and Transportation

Trade mission members participate in the trade mission and undertake related travel at their own risk and are advised to obtain insurance accordingly. Any question regarding insurance coverage must be resolved by the participant and its insurer of choice. The U.S. Government does not make any representations or guarantees as to the safety or security of participants. Companies should consult the State Department's travel warning for Iraq: http://travel.state.gov/travel/cis_pa_tw/tw/tw_921.html. ITA will coordinate with the U.S. Embassy Regional Reconstruction Team in Erbil to arrange for transportation of the mission participants to and from the airport and hotel. Transportation for certain optional activities, including visits to commercial sites in Erbil, may be provided by the KRG. The hotel that will be the primary venue for the mission is a luxury hotel and does have strong security measures in place. Security will be furnished by the U.S. Embassy Regional Reconstruction Team in Erbil, private hotel security, and the KRG.

The U.S. Government does not make any representations or guarantees as to the commercial success of businesses which participate in this trade mission.

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